

PRELIMINARY
FOR REVIEW

MINUTES

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUB-COMMITTEE

AUGUST 25, 2006

The State Building Commission Executive Subcommittee met this day at 9:30 a.m. in Executive Conference Room, Ground Floor, State Capitol, Nashville, Tennessee.

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

John Morgan, Comptroller of the Treasury

Dale Sims, State Treasurer

Riley Darnell, Secretary of State

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS ABSENT

Dave Goetz, Commissioner, Department of Finance and Administration

OTHERS PRESENT

Mike Fitts, State Architect

Georgia Martin, Department of Finance and
Administration

Charles Garrett, Department of Finance and
Administration

Jurgen Bailey, Department of Finance and
Administration

John Gregory, TN Wildlife Resources Agency

Jerry Preston, Tennessee Board of Regents

Keith Robinson, Tennessee Board of Regents

Dennis Raffield, THEC

George Brummett, Department of Finance and
Administration

Annette Crutchfield, Legislative Budget

Cathy Higgins, Legislative Budget

Jim Fyke, Department of Environment and
Conservation

Mark Tummons, Department of Environment and
Conservation

Alvin Payne, University of Tennessee

Mike Morrow, Department of Finance and
Administration

Nancy Blevins, Department of Finance and
Administration

Pat Haas, Bond Finance

Mary Margaret Collier, Comptroller's Office

Comptroller Morgan called the meeting to order at 9:32 a.m. and requested action on the following matters as presented by State Architect Mike Fitts.

* * * * *

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Knox County – 500 West Summit Hill Avenue, Knoxville, TN – Trans. No. 06-07-917 (JS)

Purpose: To provide space for three Ultra Science Net Project equipment tracks

Term: The proposed lease term is for three (3) years with four (4) 3-year options to renew.

Proposed Amount:

Annual Contract Rent Incl. Annual		
Utility & Janitorial Cost:	\$50,040.00	
Est. Annual Alterations:	<u>\$ 3,122.00</u>	One-time fee
Total Annual Effective Cost:	\$53,162.00	

Current Amount: None

Type: New Lease – Negotiated

Lessor: Digital Crossing Networks, LLC

SSC Report: 08-14-06. Bob King summarized the transaction. Alvin Payne presented the transaction and explained its purpose. All local hospitals and Education's K-12 grade programs will be connect to this network. Staff referred to Sub-Committee with discussion.

SC Action: 08-25-06. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENNESSEE

- 1) Approved a request to change the source of funding on a project for **Baseball Stadium Upgrade** at Middle Tennessee State University in Murfreesboro, Tennessee.

Estimated Project Cost: \$5,000,000.00
SBC Project No. 166/009-11-2005

- 2) Approved a request to demolish a housing maintenance building, which is within the scope of a project for **Parking and Transportation Improvements** at Middle Tennessee State University in Murfreesboro, Tennessee.

Estimated Project Cost: \$15,000,000.00
SBC Project No. 166/009-01-2003

UNIVERSITY OF MEMPHIS, MEMPHIS, TENNESSEE

- 1) Approved a request to include commissioning on a project for **Variable Flow Pumping** at the University of Memphis in Memphis, Tennessee.

Estimated Project Cost: 3,940,000.00
SBC Project No. 166/007-11-2005

TENNESSEE LOCAL DEVELOPMENT AUTHORITY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION TO ACCEPT required interest in the following real property:

Description: Hardeman County - 22.663 +/- acres with improvements located at 208 Hope Street, Bolivar, TN - Trans. No. 06-04-009(JB)

Purpose: Conveyance is in exchange for the TLDA (Tennessee Local Development Authority) releasing Hardeman County Development Services Center, Inc. from indebtedness on the property.

Funding: Line item appropriation of \$878,000 to pay off bonds.

Grantors: Hardeman County Development Services Center, Inc.

SSC Report: 08-14-06. Jurgen Bailey summarized the transaction. Mary Margaret Collier from Bond Finance presented the purpose of this transaction. She stated that Bond Finance will pay off the \$878,000.00 debt on September 1st, 2006 if approved by SBC. Staff referred to Subcommittee with recommendation.

SC Action: 08-25-06. Subcommittee approved the request as presented.

STATE FUNDING BOARD

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER OF ADVERTISEMENT AND APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description: Hardeman County - 22.663 +/- acres with improvements located at 208 Hope Street, Bolivar, TN – Trans. No. 06-08-002 (JB)

Purpose: Convey property to City of Bolivar for “public purpose”.

Funding: Grant

Grantee: City of Bolivar

Grantors Unto State: Hardeman County Development Services Center, Inc.

SSC Report: 8-14-06. Jurgen Bailey summarized the transaction and state that the City of Bolivar will use the property for a Boys & Girls Club. Staff referred to Subcommittee with recommendation.

SC Action: 08-25-06. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER OF ADVERTISEMENT AND APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Dyer County – 64 +/- acres – Tigrett Wildlife Management Area, Dyersburg, TN – Trans. No. 06-07-007 (FB)</u>
Purpose:	Disposal by Lease to the Northwest TN Shooting Sports Association for fifteen (15) years. The association will build and maintain a shooting range at no cost to the State.
Term:	Fifteen (15) years
Consideration:	No cost
Lessee:	Northwest Tennessee Shooting Sports Association
SSC Report:	8-15-06. Jurgen Bailey summarized the transaction. John Gregory stated this will be a no-cost to the State facility that would emphasize firearms training and hunter safety programs. Funding for this facility will come from membership dues. Staff referred to Sub-Committee with recommendation.
SC Action:	08-25-06. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Henry County – 101.57 +/- acres – Austin Peay Memorial Highway, Paris, TN – Trans. No. 06-07-012 (FB)</u>
Purpose:	Disposal by Lease to Henry County for twenty-five (25) years. The county will build and maintain a shooting range at no cost to the State.
Term:	Twenty five (25) years
Consideration:	No cost
Lessee:	Henry County
Comments:	The range is greatly needed for up and coming scholastic shooting/archery sports events.
SSC Report:	8-15-06. Jurgen Bailey summarized the transaction. John Gregory stated that sport shooting popularity in high school has increased significantly over the past 10 years and that the proposed shooting range would greatly benefit Henry County. Staff recommended that the lease be cancelable if the property ceased to be used as a shooting range. Staff referred to Sub-Committee with recommendation.
SC Action:	08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, WAIVER (1) APPRAISAL not to exceed the appraised value for the property being acquired:

Description:	<u>Various Counties - 12,550 +/- acres owned by Bowater's, Inc., 21 tracts located across Tennessee Plateau – Trans. No.06-08-001 (GM)</u>
Purpose:	Acquisition in Fee of significant tracts of land owned by Bowater, Inc. in counties adjacent to the Cumberland Trail. The land is needed for conservation of the trail corridor.
Funding:	\$20,000,000.00 Bond
Cost:	\$1,385 per acre X 12,550 acres=\$ 17,381,750.00.
Comment:	We propose to close with Bowater, Inc. on the estimated acreage. We will then complete surveys on all the tracts. If acreage comes out differently, then adjustments will be made either in the State's or Bowater's favor based on the per acreage price established.
SSC Report:	08-14-06. Jurgen Bailey summarized the transaction. Commissioner Fyke stated that this was a tremendous opportunity for the State to acquire important tracts of land out of the Bowater land inventory. The State would acquire all land and timber rights, except for 70 acres at the Virgin Falls tract in White County, which would be appraised for the land only. Additional approval was requested to appraise the mineral rights on the North Chickamauga tracts. Staff referred to Sub-Committee with recommendation.
Revised Request:	08-25-06. Additional approval requested to complete six (6) different surveys on the Bowater property in order to meet necessary deadlines imposed by Bowater. The 12,550+/- Bowater tract is made up of six (6) distinct large tracts. Current F&A procedures call for one (1) survey per land transaction with a surveying contract cap of \$75,000. Outside this cap, the contract falls into an RFP contract, which will take too long to pursue to complete this survey this year. The survey is estimated to cost approximately \$1 million, and it is requested that six (6) different surveying companies be contracted to work on the project simultaneously. It is anticipated that four (4) of the tracts will come in under the contract cap of \$75,000; the Laurel Snow tract may exceed the \$75,000 limit; and the largest track, identified as Fall Creek Falls area, will likely cost \$500,000. Bowater is requiring that the State complete this survey and

make all acreage adjustments and refunds for overpayment by October of 2007. If the survey is not completed by that date, Bowater will not refund any of the State's money.

SC Action: 08-25-06. Charles Garrett presented the transaction, as revised above. Secretary Darnell asked if the timber rights would affect the value. Commissioner Fyke responded that the timber rights were included in all the appraisals, except for the 70-acre tract being retained by Bowater. This appraisal did not include the timber rights. Secretary Darnell asked if the mineral rights expired at any specific time, and Commissioner Fyke responded that, to his knowledge, they did not expire. Secretary Darnell asked if they thought people were going to start mining, and Commissioner Fyke responded that they haven't started yet, so it wouldn't seem so.

Treasurer Sims asked how this request differs from the normal survey requests, and Jurgen Bailey explained the difference. Mr. Garrett stated that Commissioner Goetz was ready to approve the survey contracts with Subcommittee's approval. Comptroller Morgan asked were they going to do six adjustments or one, and, if by October 2007 they had a piece not finished, was it an 'all or nothing' issue. Mr. Garrett responded that they will make adjustments up until October 2007, and if any surveys are not complete by then, those particular portions will not be adjusted. He said they will keep the Subcommittee informed with a quarterly report. Charles Harrison said they need the assurance to make sure they weren't surveying just one and two acre tracts and leaving out the large tracts.

After discussion, the Subcommittee approved the request as presented with the understanding that the selection of surveyors for the tracts involving more than \$75,000 in cost would be delegated to the Commissioner of Finance and Administration.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Henderson County – 101.25 +/- acres - Parkers Crossroads, TN – Trans. No. 06-07-017 (GM)</u>
Purpose:	Acquisition in Fee Simple to prevent the historic site from being destroyed by developers.
Source of Funding:	State Land Acquisition Fund National Park Service Civil War Preservation Fund
Estimated Cost:	Fair Market Value
Owner(s):	Gregory T. & Barbara A. Britt
Comment:	The Battle of Parker's Crossroads is listed as one of Tennessee most significant battles. The battlefield is listed on the Historic Register of Historic Places.
SSC Report:	08-14-06. Jurgen Bailey summarized the transaction. Mr. Fred Prouty, Historical Commission, expressed the significance of the transaction. This tract located on the north side of I-40 was the beginning point of the Battle of Parkers Crossroads. Staff referred to Sub-Committee with recommendation.
SC Action:	08-25-06. Subcommittee approved the request as presented.

TENNESSEE BUREAU OF INVESTIGATION

LEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: Knox County – 4420 Whittle Springs Road, Knoxville, TN – Trans. No. 01-05-908 (JS)

Purpose: To provide office space for area operations

Term: March 1, 2007 thru August 31, 2008 (1yr & 6 months)

Proposed Amount:	<u>6,258 Square Feet</u>		
	Annual Contract Rent:	\$ 99,600.00	@\$15.92/sf
	Est. Annual Utility Cost:	\$ 8,761.20	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 6,883.80</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$115,245.00	@\$18.42/sf

Current Amount:	<u>6,258 Square Feet</u>		
	Annual Contract Rent:	\$75,000.00	@\$11.98/sf
	Est. Annual Utility Cost:	\$ 8,761.20	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 6,883.80</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$90,645.00	@\$14.48/sf

Type: Amendment #1 – Negotiated

FRF Rate: \$14.00 per square feet

Lessor: Michael E. Cohen, current lessor

Comment: The proposed amendment allows TBI to remain in the same space until construction of a new TBI facility at Strawberry Plains is completed in September 2008.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Action: 08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION

SPECIAL ITEM

- 1) Charles Garrett brought up from the floor a request for approval of the selection of a consultant to assist Real Property Administration in the development and implementation of a Construction Management Application System. He stated that the State Building Commission had referred the request to them, with authority to act. He introduced Deputy Commissioner Mike Morrow who gave a synopsis of the request. Mr. Morrow commented that this was not an RFP in the usual sense, but rather, a hybrid. He said their initial intent was to evaluate packages, and explained that nine vendors were sent 102 requirements and five responded. He said three out of the five vendors met the requirements, with one declining. After Staff rated the final two vendors, they selected SKIRE, Inc. as the best value. Mr. Morrow commented that they were offered an off-the-shelf application configured to meet the State's needs. He said the \$202,000 cost was to be paid by Real Property Administration, and the first application was to be a pilot project at the Morgan County prison. He said they proposed a one-year contract with a four-year option to renew.

Treasurer Sims said he was for the Department of Finance and Administration having the tools for managing their projects. He said he could get over the indigestion of a one-year agreement, but expressed concern that someone could say that this was a straight out professional services sole source procurement contract. He added that he was concerned about Morgan County transitioning under a new software package and did not want it hampering the project. He said he was not totally comfortable with this but he was glad that they, at least, were funding it out of operating funds instead of capital funds. He said he didn't believe they intended to use the SBC designer selection process, but he was supportive of moving forward in this one instance. Comptroller Morgan asked if price was rated in the final two, and was told "no", that it was based solely on qualifications. Treasurer Sims made a motion to approve. Comptroller Morgan said that he wished they had used the RFP process, but based on these discussions and particular situations, he would recommend approval. The motion was seconded, and approved without objection.

SBC Project No. 529/000-17-2006

ELLINGTON AGRICULTURAL CENTER, NASHVILLE, TENNESSEE

- 1) Approved the selection of Wellspring Art Works, LLC to do the **Mural Restoration** project at the Moss Building at Ellington Agricultural Center, Nashville, Tennessee.

SBC Project No. 100/000-01-2006

STATE BUILDING COMMISSION

MINUTES OF MEETING

- 1) Approved the Minutes of the Executive Subcommittee meeting held on July 24, 2006.

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Following approval of the Consent Agenda, the meeting adjourned at 10:15 a.m.

CONSENT AGENDA

Review of a request for APPROVAL of the following REAL PROPERTY TRANSACTIONS, which have been reviewed and recommended for approval by Sub-Committee staff:

- A. Agency: University of Tennessee – Blount County
Transaction: Lease Agreement
- B. Agency: Tennessee Board of Regents – Montgomery County
Transaction: Acquisition in Fee by Gift
Provision: Waiver of Appraisals
- C. Agency: Tennessee Wildlife Resources Agency – Giles County
Transaction: Acquisition in Fee
- D. Agency: Tennessee Wildlife Resources Agency – Hardin County
Transaction: Disposal by Easement
Provision: Waiver of Advertisement & Appraisals
- E. Agency: Department of Environment & Conservation – Henderson County
Transaction: Acquisition in Fee
Provision: Waiver of Appraisal
- F. Agency: Department of Environment & Conservation – Sumner County
Transaction: Acquisition in Fee
- G. Agency: Department of Environment & Conservation – Pickett County
Transaction: Acquisition in Fee
- H. Agency: Department of Environment & Conservation – Humphrey County
Transaction: Acquisition in Fee
- I. Agency: Department of Environment & Conservation - Cheatham County
Transaction: Acquisition in Fee
Provision: Waiver of Appraisals
- J. Agency: Department of Environment & Conservation – Grundy County
Transaction: Acquisition in Fee
- K. Agency: Department of Environment & Conservation – Obion County
Transaction: Donated Conservation Easement
Provision: Waiver of Appraisals
- L. Agency: Department of Revenue - Bedford County
Transaction: Lease Agreement

- M. Agency: Department of Children's Services - Davidson County
Transaction: Lease Agreement
- N. Agency: Department of Children's Services - Davidson County
Transaction: Lease Agreement
Provision: Waiver of Advertisement
- O. Agency: Department of Children's Services - Davidson County
Transaction: Lease Amendment
Provision: Reduce square footage
- P. Agency: Comptroller of Treasury – Greene County
Transaction: Lease Agreement
- Q. Agency: Department of Health – Davidson County
Transaction: Lease Amendment
Provision: Reduce annual rent
- R. Agency: Department of Human Services – Determination Disability Services
Transaction: Lease Amendment
Provision: Reduce annual rent
- S. Agency: Finance & Administration for Community Services Agency – Knox County
Transaction: Lease Agreement
- T. Agency: Finance & Administration for Community Services Agency – Shelby County
Transaction: Lease Agreement
Provision: Waiver of Advertisement
- U. Agency: Finance & Administration for Community Services Agency Washington County
Transaction: Lease Agreement
- V. Agency: Department of Safety – Rutherford County
Transaction: Lease Agreement
Provision: Waiver of Advertisement
- W. Agency: Department of Safety – Shelby County
Transaction: Lease Agreement
Provision: Waiver of Advertisement
- X. Agency: Department of Environment & Conservation – Anderson County
Transaction: Demolition of Water Plant Facility – Norris Dam State Park
Provision: SBC Project No. 126/063-01-2006

A.

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Blount County – Hanger #4, McGee Tyson Airport, 2285 Airport Highway, Alcoa, TN – Trans. No. 06-07-918 (JS)

Purpose: To provide office and hanger space for Flight Operations

Term: February 1, 2007 thru January 31, 2017 (10 yrs)

Proposed Amount:	<u>3,268.55 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$21,931.99</u>	<u>@\$6.71/sf</u>
	Total Annual Effective Cost:	\$21,931.99	@\$6.71/sf

Current Amount: None

Type: New Lease – Negotiated

FRF Rate: \$13.50 per square feet

Purchase Option: No – Multi-tenant

Lessor: Tac Air, Inc.

Comment: The proposed lease provides (1) on each lease anniversary date, rental rate may increase or decrease up to three (3) percent of consumer price index, and (2) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 08-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

B.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, WAIVER of APPRAISALS not to exceed the appraised value for the property being acquired:

Description:	<u>Montgomery County – 7.721 +/- acres – unimproved – adjoining Tennessee Technology Center at Dickson, Clarksville Industrial Training Facility – 3789 Guthrie Hwy., Clarksville, TN –Trans. No. 05-11-016 (LW)</u>
Purpose:	Acquisition in Fee by Gift for the proposed construction of additional space for classrooms, storage, offices, laboratories, and training workshops related to truck driving, auto body, building trades, HVAC, industrial maintenance, dental, graphics, business systems and computers.
Source of Funding:	Operational 2005-2006 State Funds
Owner(s):	Montgomery County Industrial Development Board
Comment:	Within Master Plan expansion area.
SSC Report:	7-17-06. Transaction was previously deferred due to deed restrictions, which have been amended. Request final approval.
SSC Report:	8-15-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	08-25-06. Subcommittee approved the request as presented.

C.

TENNESSEE WILDLIFE RESOURCE AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Giles County – 2.7 +/- acres – Pulaski, TN – trans. No. 06-07-001 (RJ)

Purpose: Acquisition in Fee to allow recreational access to Richland Creek.

Source of Funding: TWRA

Estimated Cost: Fair Market Value

Owner(s): Joe Smith

SSC Report: 8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

D.

TENNESSEE WILDLIFE RESOURCE AGENCY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Hardin County – 67 +/- acres – Crooked Creek within White Oak Wildlife Management Area, Milledgeville, TN – Trans. No. 06-07-011 (RJ)</u>
Purpose:	Disposal by Easement for Crooked Creek Stream Restoration. The project requires an easement extending from the southern and eastern property boundaries to the north and west, up to the edge of proposed riparian buffers on the opposite side of the restored streams. Primary focus is to restore stream stability, eliminate bank erosion, improve in-stream habitat and enhance the riparian zone.
Estimated Sale Price:	Gift
Grantee:	Tennessee Wildlife Resources Foundation
Comment:	Crooked Creek and four (4) unnamed tributaries extend 10,413 ft. within White Oak Wild Life Management Agency.
SSC Report:	8-15-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	08-25-06. Subcommittee approved the request as presented.

E.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, with WAIVER OF APPRAISALS not to exceed the appraised value for the property being acquired:

Description:	<u>Henderson County – 39.71 +/- acres – Parkers Crossroads, TN – Trans. No. 06-07-013 (GM)</u>
Purpose:	Acquisition in Fee Simple to prevent the historic site from being destroyed by developers.
Source of Funding:	State Land Acquisition Fund
Estimated Cost:	Gift
Owner(s):	Civil War Preservation Trust
Comment:	The Battle of Parker's Crossroads is listed as one of Tennessee most significant battles. The battlefield is listed on the Historic Register of Historic Places.
SSC Report:	8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	08-25-06. Subcommittee approved the request as presented.

F.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Sumner County – 93.75 +/- acres – North of Bledsoe Creek State Park, Gallatin, TN – Trans. No. 06-07-014 (FB)</u>
Purpose:	Acquisition in Fee to provide an adequate land base for the park. Presently the park is basically a campground with no land available for programming, trail construction or cultural or historical interpretation.
Source of Funding:	State Land Acquisition Fund
Estimated Cost:	\$525,000
Owner(s):	Nathan & Joseph Daniel Harsh
SSC Report:	8-14-06. Jorgen Bailey summarized the transaction. Mike Baumstark presented the transaction and stated that Nathan Harsh (father) had a Life Estate reserved on 1/3 of the property. Staff referred to Sub-Committee for consent agenda if the life estate is removed. Letter was received by the agency that Nathan Harsh will remove the life estate encumbrance if state acquires property from son.
SC Action:	08-25-06. Subcommittee approved the request as presented.

G.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Pickett County – 8 +/- acres – Cordell Hull State Park, Byrdstown, TN – Trans. No. 06-07-015 (FB)</u>
Purpose:	Acquisition in Fee to provide protection of the entrance to Bunkum Cave.
Source of Funding:	State Land Acquisition Fund
Estimated Cost:	\$55,000
Owner(s):	GBJ Land Co., Inc. et/al
Comment:	This acquisition will give the park the ability to control access to the site from that area.
SSC Report:	8-14-06. Jorgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	08-25-06. Subcommittee approved the request as presented.

H.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Humphrey County – 24.47 +/- acres – N. Johnsonville Welcome Center, New Johnsonville, TN – Trans. No. 06-07-016 (FB)</u>
Purpose:	Acquisition in Fee to built a new Welcome Center for the Johnsonville State Park.
Source of Funding:	State Land Acquisition Fund
Estimated Cost:	Gift
Owner(s):	Humphrey County
SSC Report:	8-14-06. Jorgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, with WAIVER OF APPRAISALS not to exceed the appraised value for the property being acquired:

Description:	<u>Cheatham County – 3.4 +/- acres – located halfway between Hidden Lake & Kingston Springs, Pegram, TN – Trans. No. 06-07-018 (GM)</u>
Purpose:	Acquisition in Fee Simple to provide access to the Harpeth River
Source of Funding:	State Land Acquisition Fund
Estimated Cost:	Fair Market Value
Owner(s):	James Dawson
Comment:	This tract coincides with the Master Plan to provide canoe/kayak access areas every nine miles.
SSC Report:	8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Grundy County – 10.0 +/- acres – South Cumberland State Park, Gruetli-Laager, TN – Trans. No. 06-07-019 (GM)</u>
Purpose:	Acquisition in Fee Simple to provide additional buffer from residential development. The acquisition will also straighten and enhance the park boundary.
Source of Funding:	State Land Acquisition Fund
Estimated Cost:	Fair Market Value
Owner(s):	Friends of South Cumberland Recreation Area, Inc.
SSC Report:	8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

Review of a request for APPROVAL of the following ACQUISITION by EASEMENT of interest in real property with WAIVER OF APPRAISALS as required by TCA 4-15-102 and 12-2-106.

Description:	<u>Obion County – 3.0+/- acres - located near Union City, TN – Trans. No. 06-07-021 (JB)</u>
Purpose:	These donated conservation easements will reduce the possibility of catastrophic flooding in the community of Rives, TN
Estimated Cost:	Gift
Owners:	Kenneth Frank Cheatham – 1.58 acres William H. Lattimer – 1.64 acres
Grantee:	West Tennessee River Basin Authority
SSC Report:	8-14-06. Jorgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF REVENUE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Bedford County – 321 Bethany Lane, Suite C & D, Shelbyville, TN – Trans. No. 06-02-912 (JS)

Purpose: To provide office space for area operations

Term: March 1, 2007 thru February 28, 2017 (10 yrs)

Proposed Amount:	<u>3,675 Square Feet</u>		
	Annual Contract Rent:	\$30,000.00	@ \$ 8.16/sf
	Est. Annual Utility Cost:	\$ 4,042.00	@ \$ 1.10/sf
	Est. Annual Janitorial Cost:	<u>\$ 4,042.00</u>	<u>@ \$ 1.10/sf</u>
	Total Annual Effective Cost:	\$38,084.00	@ \$10.36/sf

Current Amount:	<u>2,955 Square Feet</u>		
	Annual Contract Rent:	\$21,600.00	@ \$7.31/sf
	Est. Annual Utility Cost:	\$ 3,250.50	@ \$1.10/sf
	Est. Annual Janitorial Cost:	<u>\$ 3,250.50</u>	<u>@ \$1.10/sf</u>
	Total Annual Effective Cost:	\$28,101.00	@ \$9.51/sf

Type: New Lease – Advertise – Lowest of four (4) proposals from two (2) proposers.

FRF Rate: \$12.50 per square feet

Purchase Option: No – Multi - tenant

Lessor: Shelbyville Self Storage, current lessor

Comment: The proposed lease provides (1) Lessor will construct 720 square feet of rentable space including interior improvements at no additional cost to the State, (2) Lessor is to furnish water/sewer and (3) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF CHILDREN'S SERVICES

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Davidson County – 287 Plus Park Blvd., Nashville, TN – Trans. No. 06-03-908 (JS)

Purpose: To provide office space for Mid-Cumberland Region

Term: March 1, 2007 thru February 28, 2017 (10 yrs.)

Proposed Amount:	<u>14,100 Square Feet</u>		
	Annual Contract Rent:	\$140,295.00	@ \$ 9.95/sf
	Est. Annual Utility Cost:	\$ 19,740.00	@ \$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 15,510.00</u>	<u>@ \$ 1.10/sf</u>
	Total Annual Effective Cost:	\$175,545.00	@ \$12.45/sf

Current Amount:	<u>4,400 Square Feet</u>		
	Annual Contract Rent incl. Annual utility & Janitorial Cost:	<u>\$60,500.04</u>	<u>@ \$13.75/sf</u>
	Total Annual Effective Cost:	\$60,500.04	@ \$13.75/sf

Type: New Lease – Advertise – Received three (3) proposals from two (2) proposers.

FRF Rate: \$18.00 per square foot

Purchase Option: No – Multi-tenant

Lessor: Daymar Properties of Nashville, LLC

Comment: The proposed lease provides (1) Lessor will build-out 14,100 square feet of rentable space including interior improvements at no additional cost to the State, (2) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF CHILDREN'S SERVICES

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Davidson County – 550 Metroplex Drive, Nashville, TN – Trans. No. 06-06-904 (JS)

Purpose: To provide office space for Central Intake Unit

Term: October 1, 2006 thru September 30, 2007 (1 yr)

Proposed Amount: 8,813 Square Feet
Annual Contract Rent Incl. Annual
Utility & Janitorial Cost \$149,820.96 @\$ 17.00/sf
Total Annual Effective Cost: \$149,820.96 @\$ 17.00/sf

Current Amount: State space at old TPS campus

Type: New Lease - Negotiated

FRF Rate: \$18.00 per square foot

Purchase Option: No – multi-tenant

Lessor: Amsouth Bancorporation

Comment: The proposed lease provides a 90-day cancellation.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF CHILDREN'S SERVICES

LEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Madison County – Delta Building, 33 Old Hickory Blvd., East, Jackson, TN – Trans. No. 01-09-907 (BK)

Purpose: Reduction of square footage.

Term: August 1, 2006 thru June 30, 2007 (11 mon)

Proposed Amount: 19,117 Square Feet
Annual Contract Rent Incl. Annual
Utility Cost: \$195,949.32 @\$10.25/sf
Est. Annual Janitorial Cost: \$ 21,028.70 @ \$ 1.10/sf
Total Annual Effective Cost: \$216,978.02 @\$11.35/sf

Current Amount: 24,985 Square Feet
Annual Contract Rent Incl. Annual
Utility Cost: \$256,096.32 @\$10.25/sf
Est. Annual Janitorial Cost: \$ 27,483.50 @ \$ 1.10/sf
Total Annual Effective Cost: \$283,579.82 @\$11.35/sf

Type: Amendment #3 – Negotiated – Reduce square footage

FRF Rate: \$13.50 per square feet

Lessor: Maggie Jill Emerson, current lessor

Comment: The proposed amendment provides (1) reduction in square feet of 5,868, (2) Lessor to provide utilities at no additional cost to the State, and (3) all other terms and conditions of the Lease Agreement shall remain unchanged and in full force and effect.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

COMPTROLLER OF TREASURY

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Greene County – Old Stage Road, Lot 8, Greeneville, TN – Trans. No. 06-01-905 (JS)

Purpose: To provide office space for Division of Property Assessment

Term: August 1, 2007 thru July 31, 2017 (10 yrs.)

Proposed Amount:	<u>3,185 Square Feet</u>		
	Annual Contract Rent:	\$33,132.00	@\$10.40/sf
	Est. Annual Utility Cost:	\$ 4,459.00	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 3,503.50</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$41,094.50	@\$12.90/sf

Current Amount:	<u>2,764 Square Feet</u>		
	Annual Contract Rent:	\$22,440.00	@\$ 8.12/sf
	Est. Annual Utility Cost:	\$ 3,040.40	@\$ 1.10/sf
	Est. Annual Janitorial Cost:	<u>\$ 3,040.40</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$29,350.00	@\$10.32/sf

Type: New Lease – Advertise – Received eight (8) proposals from five (5) proposers

FRF Rate: \$12.50 per square foot

Purchase Option: Yes – 1thru 10 years

Lessor: David K. Quillen

Comment: The proposed lease provides (1) Lessor will build-to-suit 3,185 square feet of rentable office space, including interior improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

Q.

DEPARTMENT OF HEALTH

LEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: Davidson County – 220 Athens Way, Nashville, TN – Trans. No. 04-07-904B (BK)

Purpose: To provide office space for operation

Term: September 1, 2006 thru May 31, 2016 (9 yrs. & 9 months)

Proposed Amount:	<u>24,433 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$378,711.50</u>	<u>@\$15.50/sf</u>
	Total Annual Effective Cost:	<u>\$378,711.50</u>	<u>@\$15.50/sf</u>

Current Amount:	<u>24,433 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$384,819.75</u>	<u>@\$15.75/sf</u>
	Total Annual Effective Cost:	<u>\$384,819.75</u>	<u>@\$15.75/sf</u>

Type: Amendment # 2 – Negotiated - Reduction in annual rent by \$0.25 per square foot.

FRF Rate: \$18.00 per square foot

Lessor: IPC MetroCenter, LLC

Comment: The proposed Amendment provides (1) a rent reduction, and (2) no cancellation during lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF HUMAN SERVICES

LEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: Davidson County – 220/220 Athens Way, Plaza Tower, Nashville, TN – Trans. No. 04-05-912 (BK)

Purpose: To provide office space for Determination Disability Services

Term: September 1, 2006 thru August 31, 2014 (8 yrs.)

Proposed Amount:	<u>142,784 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$2,265,198.25</u>	<u>@\$15.86/sf</u>
	Total Annual Effective Cost:	\$2,265,198.25	@\$15.86/sf

Current Amount:	<u>142,784 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$2,300,894.25</u>	<u>@\$16.11/sf</u>
	Total Annual Effective Cost:	\$2,300,894.25	@\$16.11/sf

Type: Amendment # 2 – Negotiated - Reduction in annual rent by \$0.25 per square foot.

FRF Rate: \$18.00 per square foot

Lessor: IPC MetroCenter, LLC

Comment: The proposed Amendment provides (1) a rent reduction, and (2) no cancellation during lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

S.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Knox County – 201 Center Park Drive, Suite 1100, Knoxville, TN – Trans. No. 06-01-900 (JS)

Purpose: To provide office space for East Tennessee area

Term: October 1, 2006 thru September 30, 2011 (5 yrs)

Proposed Amount:	<u>8,000 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility Cost:	\$70,800.00	@\$8.85/sf
	Est. Annual Janitorial Cost:	<u>\$ 8,800.00</u>	<u>@\$1.10/sf</u>
	Total Annual Effective Cost:	\$79,600.00	@\$9.95/sf

Current Amount:	<u>8,000 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility Cost:	\$66,399.96	@\$8.30/sf
	Est. Annual Janitorial Cost:	<u>\$ 8,800.00</u>	<u>@\$1.10/sf</u>
	Total Annual Effective Cost:	\$75,199.65	@\$9.40/sf

Type: New Lease – Advertise – Received two (2) proposals from two (2) proposers.

FRF Rate: \$14.00 per square feet

Purchase Option: No – Multi-tenant

Lessor: All Eleven, a Tennessee General Partnership, current lessor

Comment: The proposed lease provides (1) Lessor shall make tenant improvements at no additional cost to the State, (2) Lessor to provide utilities at no additional cost to the State, and (3) proposed lease has ninety (90) day State cancellation.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Shelby County – 1407 Union Avenue, Suite 1300, Memphis, TN – Trans. No. 06-07-926 (BK)

Purpose: To provide office space for West Tennessee CSA operations

Term: August 11, 2006 thru August 10, 2007 (1 yr)

Proposed Amount:	<u>7,654 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$103,331.76</u>	<u>@\$13.50/sf</u>
	Total Annual Effective Cost:	\$103,331.76	@\$13.50/sf

Current Amount:	<u>19,699 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$253,022.04</u>	<u>@\$16.00/sf</u>
	Total Annual Effective Cost:	\$253,022.04	@\$16.00/sf

Type: New Lease - Negotiated

FRF Rate: \$17.00 per square feet

Purchase Option: No – Multi-tenant

Lessor: Royal MMT Partners, current lessor

Comment: The proposed lease provides no cancellation during the lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

U.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Washington County – 2514 ½ Wesley Street, Suites 1-6, Johnson City, TN – Trans. No. 06-03-914 (JS)

Purpose: To provide office space for Northeast operations

Term: January 1, 2007 thru December 31, 2011 (5 yrs)

Proposed Amount: 6,823 Square Feet
Annual Contract Rent Incl. Annual
Utility Cost: \$70,959.24 @\$10.40/sf
Est. Annual Janitorial Cost: \$ 7,505.30 @\$ 1.10/sf
Total Annual Effective Cost: \$78,464.54 @\$11.50/sf

Current Amount: 5,200 Square Feet
Annual Contract Rent: \$48,100.00 @\$ 9.25/sf
Est. Annual Utility Cost: \$ 5,720.00 @\$ 1.10/sf
Est. Annual Janitorial Cost: \$ 5,720.00 @\$ 1.10/sf
Total Annual Effective Cost: \$59,540.00 @\$11.45/sf

Type: New Lease – Advertise – Received only one (1) proposal from current lessor

FRF Rate: \$13.50 per square feet

Purchase Option: Yes – 1thru 5

Lessor: Shamrock Properties, Inc., current lessor

Comment: The proposed lease provides (1) Lessor to add 1,623 square feet of existing space to the currently leased 5,200 square feet including interior improvements at no additional cost to the State, (2) Lessor to provide utilities at no additional cost to the State, and (3) proposed lease has a 90-day State cancellation.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF SAFETY

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENTS as required by TCA 12-2-115:

Location: Rutherford County – 5227 Murfreesboro Road, LaVergne, TN – Trans. No. 06-07-905 (BK)

Purpose: To provide emergency space for Driver's License Issuance station.

Term: September 1, 2006 thru August 31, 2007 (1 yr)

Proposed Amount:	<u>3,600 Square Feet</u>		
	Annual Contract Rent:	\$54,000.00	@\$15.00/sf
	Est. Annual Utility Cost:	\$ 5,040.00	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 3,960.00</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$63,000.00	@\$17.50/sf

Current Amount: New Requirement

Type: New Lease – Negotiated

FRF Rate: \$13.50 per square feet

Purchase Option: No – Multi-tenant

Lessor: LaVergne Plaza, LLC

Comment: The proposed lease provides (1) Lessor shall make tenant improvements at no additional cost to the State, and (2) the proposed lease provides no cancellation during the lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

DEPARTMENT OF SAFETY

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Shelby County – 2714 Union Extended, Memphis, TN – Trans. No. 06-07-906 (AL)

Purpose: To provide emergency space for Driver's License Issuance station.

Term: October 1, 2006 thru September 30, 2007 (1 yr)

Proposed Amount:	<u>4,000 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$60,000.00</u>	<u>\$15.00/sf</u>
	Total Annual Effective Cost:	<u>\$60,000.00</u>	<u>\$15.00/sf</u>

Current Amount: New Requirement

Type: New Lease – Negotiated

FRF Rate: \$16.00 per square feet

Purchase Option: No – Multi-tenant

Lessor: CP Union, LLC

Comment: The proposed lease provides (1) Lessor shall make tenant improvements at no additional cost to the State, (2) Lessor to provide utilities and janitorial services at no additional cost to the State, and (3) the proposed lease provides no cancellation during the lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 08-25-06. Subcommittee approved the request as presented.

X.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

NORRIS DAM STATE PARK, ANDERSON COUNTY, TENNESSEE

- 1) Approved a project for **Demolition of Water Plant Facility** at Norris Dam State Park, Anderson County, with all work to be performed by in-house forces at no cost to the State.

Estimated Project Cost:	\$0.00
<i>SBC Project No.</i>	<i>126/063-01-2006</i>

Approved by: _____

M.D. Goetz, Jr., Commissioner
Department of Finance and Administration